



# Feedback on Limited Partnership Continuance Fees

A feedback paper relating to a consultation on proposals regarding the fees for continuance of a foreign limited partnership within Jersey.

Consultation Paper: No. 5 2020

Issued: July 2020

This paper reports on responses received by the JFSC to the Consultation Paper No. 5 2020 published by the JFSC on 7 July 2020.

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## Glossary of Terms

Defined terms are indicated throughout this document as follows:

CP	means the Consultation Paper No. 5 2020 published by the JFSC on 7 July 2020.
Regulations	Limited Partnerships (Continuance) (Jersey) Regulations 2020
JFA	Jersey Funds Association
JFL	Jersey Finance Limited
JFSC	Jersey Financial Services Commission
Jersey Finance	Jersey Finance Limited

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# 1 Executive Summary

## 1.1 Overview

- 1.1.1 On 7 July 2020 the JFSC issued a Consultation on Limited Partnership Continuance Fees, which sought views on proposals for the fees the JFSC will charge for an application under the Regulations.
- 1.1.2 The purpose of this paper is to provide feedback on the responses received to the CP.
- 1.1.3 In light of the feedback received, the JFSC will be setting the fee rate at the level consulted on, effective 17 July 2020. The final form of the fees notice can be found in Appendix A.

## 1.2 Feedback received

- 1.2.1 Respondents provided comments directly to the JFSC.
- 1.2.2 Section 2 of this Feedback Paper presents a summary of the substantive comment on the proposals.
- 1.2.3 The JFSC is grateful to respondents for taking the time to consider and comment on the proposals. Each respondent has been sent a copy of this paper. The final Fees Notice can be found at Appendix A.

## 1.3 Next Steps

- 1.3.1 Following this consultation, the JFSC will proceed with the fee to be introduced for an application under the Regulations.
- 1.3.2 The Fees Notice will be published on the JFSC website
- 1.3.3 The revised fees will take effect from 17 July 2020.

## 2 Consultation feedback

### 2.1 Feedback received

- 2.1.1 This section summarises the substantive comments received in response to the CP and, as appropriate, the JFSC's response to those comments.

### 2.2 The CP asked: "Do you agree with the proposed fee rate?"

- 2.2.1 The JFA Legal and Technical Committee responded that it had no specific concerns or issues with the fee proposed.

#### JFSC response

- 2.2.2 The JFSC acknowledges no objection to the fee proposed.
- 2.2.3 A trust company business/funds service business responded that the introduction of this fee, albeit not a huge fee, could create a barrier to entry into the Jersey market. It also commented that the timeframe did not allow time to assess the effect of the charge on the market.

#### JFSC response

- 2.2.4 We recognise the concern of a perceived negative impact on Jersey's attractiveness to new fund clients and the short time frame in which we are issuing this consultation.
- 2.2.5 In context, we highlight the need to both ensure that the activities we undertake are proportionately funded by registry users and the need to make sure that the LP continuance regime is operational within a very short time frame.

### 2.3 Other comments

- 2.3.1 The CP was issued for the period of one week only, with the acknowledgment of the JFA and JFL (Representative Bodies). The reason for the shorter consultation period was to meet the timescale of the Regulations which were debated by the States of Jersey on 16 July 2020. Following the prompt response from the Representative Bodies (with just one negative comment from a single respondent), the JFSC is satisfied that it is not necessary to extend the consultation period to the statutory 28 days.

## Appendix A - Limited Partnerships Continuance Fees Notice

	<b>Notice of Fees</b>
Published in accordance with:	<b>Article 15 of the Financial Services Commission (Jersey) Law 1998, as amended</b>
Payable by or in relation to:	<b>Limited Partnerships</b>
	<b>Regulations 3 and 7(1) of the Limited Partnerships (Continuance) (Jersey) Regulations 2020; and</b>
Pursuant to:	<b>Article 31 of the Limited Partnerships (Jersey) Law 1994</b> <b>Article 15(6) of the Financial Services Commission (Jersey) Law 1998, as amended</b>
Commencement date:	<b>The fee set out in this notice is effective from 17 July 2020.</b>

### 1 Interpretation

1.1 In this notice, unless the context otherwise requires -

eligible foreign limited partnership	has the same meaning as in the Limited Partnerships (Continuance) (Jersey) Regulations 2020
JFSC	means the Jersey Financial Services Commission
Regulations	Limited Partnerships (Continuance) (Jersey) Regulations 2020

### 2 Application fee

2.1 The fee to accompany an application for an eligible foreign limited partnership to continue as a limited partnership in Jersey under the Regulations shall be £605.